

Alternatives to Ownership: Land Trusts as Land Reform

by Robert Swann

In those countries where traditional land reform (redistribution of land to private owners as initiated by the central state – examples in Japan, Taiwan, Iran some South American countries, etc) has taken place, redistribution of land has resulted in some cases (Taiwan for instance) in higher production and improved social and political conditions. In other cases, however, loss of production and, over a period of time, a recycling of land ownership back to a handful of owners has taken place. One reason for this result (where only land is redistributed by government order) is a breakdown in the local credit systems (usually controlled by the former large land owners).

In India, Israel, and Tanzania, however, a different approach has been taken which, while encouraged by the state, remains a private land reform movement. In each of these countries, though differing in some respects, the concept of individual or state ownership of land has been replaced by community ownership and control. In these cases land is leased by the community to individuals or families but equity in ownership of homes or other improvements is retained by the individual or family. In this way private initiative has been encouraged and productivity (and morale) has remained high, but reversion of ownership to a few land owners is permanently prevented. Since these land reform movements have been voluntary and private they have not engendered the resentment and resistance with its resulting dislocations, which have been counterproductive in other countries.

In the US, a variation on this approach to land reform referred to as the Community Land Trust has been gaining momentum in the face of general public apathy over land reform. Both the Community Land Trust (CLT) movement and the environmental movement have in common the notion of trusteeship of stewardship of land, rather than the traditional concept of ownership. While the land trust movement of the environmentalists is aimed at protection of the land only, however, the CLT movement is aimed at increasing the productivity of the land by reducing speculation and providing access to land by individuals and families who lack such access. CLTs operate in both urban and rural areas and today a certain convergence is taking place between CLTs and conservation land trusts.

In the Southern Berkshire region farming has for many years been superseded in the economy by the pressure for summer homes and housing coming from the Metropolitan corridor (Boston/New York). At the same time, forestry, which has considerable potential in the region, has languished. This condition in general has prevailed throughout New England, at the same time that New England has become heavily (85%) dependent upon sources of food from the outside (California, Texas, Florida, etc). This vulnerability to the increasingly high costs of food as well as the threat of possible sudden loss of food supplies (truckers' strikes, gasoline shortage,

etc.) has created a strong social and political movement that is attempting to deal with this problem through legislative action (reduce property taxes for farmers, purchase development rights, etc.). In part, at least, because the programs are expensive and must be paid for from taxes levied on the urban population, they have been only peripherally effective and probably will remain so. Another major reason for their ineffectiveness is that they do not involve local people in significant ways, a characteristic failure in traditional land reform as well. Other factors in the failure of traditional land reform (loss of credit infrastructure, reversion of land to a few landowners who control credit structures, a failure after market development, etc.) are met more or less successfully by CLTs.

An important aspect of the CLT approach to land use and long range tenure change is to utilize existing laws (such as conservation assessments) to encourage land use management for long range agriculture and forest management. An example of this is the Forest Land Trust, which the CLT in the Southern Berkshires is sponsoring for the region (a similar forest land trust in southern New Hampshire is underway). Under this program the CLT promotes land pooling under a single management plan of varied tracts of forest land held by up to 35 land owners. Incentives to land owners (aside from wildlife and forest conservation) include both income, property tax, and estate tax advantages as well as increased income from professional forestry management. Advantages to the CLT and the region in general include: increased income for management (to the CLT), increased employment, and long range stability (to the community). The program, which does not require sale of fee simple title on the part of landowners, brings the CLT into contact with the landowners in the region. This provides an opportunity for education regarding land which may result in future purchase, gift, or partial gift of land to the CLT for its long range leasing program.

Failure to provide credit has often been the cause of the floundering of traditional land reform movements. The Community Land Trust in the Southern Berkshires is acting as a catalyst to initiate an investment program which can benefit not only the CLT in particular but many small (or large) enterprises (both for profit and non-profit) in the entire region itself. Referred to as the Self-Help Association for a Regional Economy (SHARE), this program is to be administered by an existing local bank (or banks). Funds for local use will be solicited from the entire local population but a separate board will be set up to establish criteria for making loans and investments and to monitor them. These criteria will place the emphasis for making loans or investment on the degree to which such loans impact favorably on local employment, regional self-sufficiency and the environment, and will include, of course, mortgages on CLT land and related enterprises (such as food processing, forest management, etc.) as priorities, as well as on cooperative ownership of industry to ensure better distribution of income. This plan has been discussed with a local bank that has agreed to sponsor it. If successful, this plan should go a long way toward helping the CLT in its efforts at land reform movement in local areas.